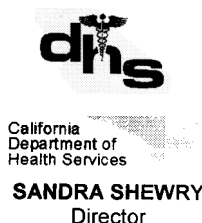


State of California—Health and Human Services Agency
Department of Health Services



ARNOLD SCHWARZENEGGER
Governor

DATE: November 1, 2006

MMCD All Plan Letter 06011

TO: ALL MEDI-CAL MANAGED CARE HEALTH PLANS

SUBJECT: SAME DAY BANKING

Effective immediately, the California Department of Health Services (CDHS) is able to offer an alternative payment arrangement for Medi-Cal managed care contractors. Medi-Cal managed care contractors can now opt to receive warrants for capitation payments through same day banking, instead of receiving them through mail delivery by the U.S. Postal Service. Under same day banking, one of four designated banks will pick up the warrant from the California State Controller's Office on the date of issue. You will select the bank, which will make a deposit, ACH transaction, or wire transfer to your financial institution. This process will prevent warrants from being lost or delayed in the mail. You may incur a service charge from the bank for this service.

Medi-Cal managed care contractors that wish to enroll in this option must select a bank from the following list of four banks that have the authority to handle warrants directly from the California State Controller's Office:

- | | | |
|--------------------|--------------------|----------------|
| • Bank of America: | Blossom Dunning | (916) 321-4718 |
| • Union Bank: | Dawn Vail-Yingling | (916) 321-3194 |
| • US Bank: | Caren Galloway | (916) 552-7032 |
| • Wells Fargo: | Lupe Rodriguez | (415) 396-0626 |

This is a voluntary payment receipt alternative. If you wish to exercise this payment alternative, contact the person from the above listing. Once you have made arrangements with the participating bank, complete the enclosed form. Provide the bank name and health plan contact information to include mailing

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address and phone number of the contact person, and authorization from the health plan's Chief Executive Officer or Chief Financial Officer, and send it to:

California Department of Health Services
Medi-Cal Managed Care Division
1501 Capitol Avenue
P.O. Box 997413, MS 4414
Sacramento, CA 95899-7413
Attention: Ms. Laurie Griswold

If you choose to take no action, the California State Controller's Office will continue to mail warrants to the health plan via the U.S. Postal Service.

Please contact Mr. Russ Hart, Chief of the Policy and Financial Management Branch, at (916) 449-5000 if you have any questions.

Sincerely,


Vanessa M. Baird, MPPA, Chief
Medi-Cal Managed Care Division

1. Health Plan Name: _____

2. Contract No.(s): _____

3. Health Plan Contact Information: Name _____

Address _____

Telephone _____

Email Address _____

4. Choice of Financial Institution for Bank Pick Up

- a. Bank of America ☐
- b. Wells Fargo ☐
- c. Union Bank ☐
- d. US Bank ☐

I authorize the California State Controller's Office to release warrants for payments made under the authority of the contract(s) listed in No. 2 above to the financial institution designated in No. 4 above. Our organization has made separate arrangements with the designated financial institution to process these warrants.

CEO/CFO Signature

Date _____

Print Name _____

Title

Mail the completed form to:

California Department of Health Services
Medi-Cal Managed Care Division
1501 Capitol Avenue
P.O. Box 997413, MS 4414
Sacramento, CA 95899-7413
Attention: Laurie Griswold